

Zarodent ApS

Karl Bjarnhofs Vej 13, 7120 Vejle Øst

Annual report

2020

Company reg. no. 36 07 36 91

The annual report was submitted and approved by the general meeting on the 21 July 2021.

Joachim Erwin Siegler
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the managing director has presented the annual report of Zarodent ApS for the financial year 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January - 31 December 2020.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Vejle Øst, 21 July 2021

Managing Director

Joachim Erwin Siegler

Independent auditor's report

To the shareholder of Zarodent ApS

Opinion

We have audited the financial statements of Zarodent ApS for the financial year 1 January - 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainties concerning the company's ability to continue as a going concern

Without it affecting our conclusion, we refer to the management's review and note 1, where it is stated that management expects the share capital reestablished through future earnings and that the company's owner is going to financially support further operations, which is a condition for the company's ability to continue as a going concern.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

Independent auditor's report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Vejle, 21 July 2021

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Christian Holm

State Authorised Public Accountant
mne29425

Company information

The company

Zarodent ApS
Karl Bjarnhofs Vej 13
7120 Vejle Øst

Phone 70555510
Web site www.zarodent.dk

Company reg. no. 36 07 36 91
Established: 22 August 2014
Domicile: Vejle
Financial year: 1 January - 31 December

Managing Director

Joachim Erwin Siegler

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Dandyvej 3 B
7100 Vejle

Management commentary

The principal activities of the company

The company's principal activity is the selling of instruments and materials to the dental industry.

Development in activities and financial matters

The gross profit for the year totals DKK 757.629 against DKK 400.808 last year. Income or loss from ordinary activities after tax totals DKK 215.902 against DKK -134.919 last year. Management considers the net profit or loss for the year satisfactory.

The company has lost its share capital. The continued operation is subject to the financial support from the owners being maintained and, if necessary, extended so that the company will at any time be able to meet its obligations as they fall due. The owners have indicated that they will provide the necessary financial support and, on the basis of the above, the management presents the annual accounts with the view to continue as a going concern.

Accounting policies

The annual report for Zarodent ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Accounting policies

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Liabilities other than provisions

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	757.629	400.808
3 Staff costs	-507.221	-520.208
Operating profit	250.408	-119.400
Other financial costs	-34.506	-15.519
Pre-tax net profit or loss	215.902	-134.919
Tax on ordinary results	0	0
Net profit or loss for the year	215.902	-134.919
 Proposed appropriation of net profit:		
Transferred to retained earnings	215.902	0
Allocated from retained earnings	0	-134.919
Total allocations and transfers	215.902	-134.919

Statement of financial position at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Current assets		
Trade receivables	56.100	91.498
Other receivables	7.938	7.938
Accrued income and deferred expenses	2.350	0
Total receivables	<u>66.388</u>	<u>99.436</u>
Cash on hand and demand deposits	<u>250.500</u>	<u>66.023</u>
Total current assets	<u>316.888</u>	<u>165.459</u>
Total assets	<u>316.888</u>	<u>165.459</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		<u>2020</u>	<u>2019</u>
<u>Note</u>			
Equity			
Contributed capital		50.000	50.000
Retained earnings		<u>-725.145</u>	<u>-941.047</u>
Total equity		<u>-675.145</u>	<u>-891.047</u>
Liabilities other than provisions			
4 Other payables		<u>54.000</u>	<u>18.875</u>
Total long term liabilities other than provisions		<u>54.000</u>	<u>18.875</u>
Trade payables		712.017	877.034
Other payables		<u>226.016</u>	<u>160.597</u>
Total short term liabilities other than provisions		<u>938.033</u>	<u>1.037.631</u>
Total liabilities other than provisions		<u>992.033</u>	<u>1.056.506</u>
Total equity and liabilities		<u>316.888</u>	<u>165.459</u>

1 Uncertainties concerning the enterprise's ability to continue as a going concern

2 Special items

5 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	50.000	-806.128	-756.128
Profit or loss for the year brought forward	0	-134.919	-134.919
Equity 1 January 2020	50.000	-941.047	-891.047
Profit or loss for the year brought forward	0	215.902	215.902
	<u>50.000</u>	<u>-725.145</u>	<u>-675.145</u>

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company has lost its share capital.

The continued operation is subject to the financial support from the owners being maintained and, if necessary, extended so that the company will at any time be able to meet its obligations as they fall due. The owners have indicated that they will provide the necessary financial support and, on the basis of the above, the management presents the annual accounts with the view to continue as a going concern.

2. Special items

Special items for the year are specified below, indicating where they are recognised in the income statement.

	<u>2020</u>	<u>2019</u>
Income:		
COVID-19 compensation	132.155	0
	<u>132.155</u>	<u>0</u>
Special items are recognised in the following items in the financial statements:		
Other operating income (Gross profit)	132.155	0
Profit of special items, net	<u>132.155</u>	<u>0</u>

3. Staff costs

Salaries and wages	448.627	458.529
Pension costs	53.016	56.280
Other costs for social security	3.408	3.408
Other staff costs	2.170	1.991
	<u>507.221</u>	<u>520.208</u>
Average number of employees	<u>1</u>	<u>1</u>

Notes

All amounts in DKK.

	<u>31/12 2020</u>	<u>31/12 2019</u>
4. Other payables		
Holiday pay obligations, salaried staff	<u>54.000</u>	<u>18.875</u>
	54.000	18.875
Share of amount due within 1 year	<u>0</u>	<u>0</u>
	<u>54.000</u>	<u>18.875</u>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

5. Contingencies

Contingent liabilities

The company have made a rental agreement regarding premises. It has been agreed that the lease can be terminated with 6 months notice. As of 31.12.20 this gives an outstanding liability of 29 t.kr.